

# **MICHIGAN CHILD SUPPORT ENFORCEMENT SYSTEM**

**Report to the Legislature  
per  
PA 146 of 2005; Section 585**

**January 1, 2006**

**Prepared by: Department of Information Technology  
Agency Services  
DHS - MiCSES**



This document is intended to meet the reporting requirements of PA 146 of 2005; Section 285:

**“The department shall provide a report that calculates the total amount of funds expended for the child support enforcement system to date from the inception of the program. The report shall contain information on the original start and completion dates for the project, the original cost to complete the project, and a listing of all revisions to project completion dates and costs. The report shall include the total amount of funds paid to the federal government for penalties. The report shall be submitted to the senate and house of representatives standing committees on government operations, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by January 1.”**

## **1. Background**

This document provides background and an historical perspective on the Michigan Child Support Enforcement (MiCSES) project, specifically as related to expenditures, federal penalties, procurement activities and efforts to attain federal certification. Any questions or requests for more information should be directed to James Fricke, MiCSES Client Services Director, at 517/241-9637 or e-mail: frickej@michigan.gov

### ➤ **Federal Certification Requirements**

- The child support program in its current form was defined through the passage of the Title IV-D amendments to the Social Security Act in 1975.
- Federal law and regulations under Title IV-D of the Social Security Act require that all states have a “single statewide” Child Support Enforcement System (CSES)<sup>1</sup> to support its child support program.
- All child support system requirements are driven by the following federal legislation:
  - ✓ **The Family Support Act of 1984** provided funding to install “single, statewide automated enforcement systems” across the country. The systems requirements were formalized through a comprehensive and lengthy set of federal regulations for the states.
  - ✓ **The Family Support Act (FSA88) of 1988** included major policy changes to the IV-D program and required all states, as a condition of continued funding participation, to install a single statewide-automated system by October 1, 1995. Federal system requirements were finalized and published in June of 1993 by the federal Department of Health and Human Services, Office of Child Support Enforcement. The deadline for meeting certification for FSA88 was subsequently extended two years to **October 1, 1997**.
  - ✓ **The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)** added significant functional changes and modifications to the FSA88 requirements. Additionally, under PRWORA, States were mandated to have a statewide-automated data processing and information retrieval system, which unconditionally met all FSA88 and all PRWORA requirements, by **October 1, 2000**.

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<sup>1</sup> In this document, CSES generally refers to the older, legacy child support application. MiCSES refers to the new, currently installed statewide child support application.

- The federal **Office of Child Support Enforcement (OCSE)** within the Administration of Children and Families of the Department of Health and Human Services provides the detailed requirements that must be met.
- Federal financial participation (currently at 66%) is contingent on approval of a state's "Advance Planning Document" (APD) which provides federal OCSE with a project plan, vendor strategy and budget information for a child support system project. Once approved, continued funding is contingent on federal approval of annual updates to the APD. Procurement of hardware, software and vendor assistance within certain fiscal thresholds must be pre-approved through the APD process. OCSE also must preapprove procurement documents (e.g. RFPs) and resulting contracts.
- **Federal Certification** is the term used for the process whereby OCSE performs on-site reviews of a state's CSES to "certify" that a state is compliant with FSA and PRWORA system requirements.
- Failure to meet FSA88 and PRWORA system certification requirements by 10/1/1997 and 10/1/2000, respectively, resulted in fiscal penalties in the form of the withholding of a percentage of federal matching for the IV-D program's annual expenditures. The amount of penalties assessed increased with each year of non-compliance. Michigan's penalties are detailed in Exhibit #1 and #2 in this document.

## 2. Project History

Although Michigan's child support enforcement program is a national leader in program performance, the state struggled to achieve system certification for FSA88 and PRWORA. Successful certification was hampered by constant change in the project's management, strategy and vendor approach. At the end of this document, ***Exhibit 3 - Highlights of MiCSES Project History***, shows a chronological history of Michigan's CSES project, including the state agency managing the project, vendors involved, procurement highlights and key events in the project's progress towards certification. This section provides a summation of information contained in that exhibit.

### ➤ **Factors Which Impacted Federal Certification**

The following provides highlights of some of the significant factors that hampered the state's ability to meet certification deadlines:

- **Organizational Changes**

As can be seen by the exhibit, the CSES project has experienced numerous project organization changes, in regard to both state project management and vendor participation.

- ✓ **Three major shifts in the state agency responsible for CSES: SCAO (1984), DHS (1996) and DIT (2002).**

With each shift, progress on the project was hampered as 1) the affected agencies coordinated personnel and budget shifts; and 2) the agency receiving the project assessed the status of the project, developed new strategies, determined appropriate staffing and organization changes, and initiated procurement of vendor resources.

In late summer 2002, oversight of CSES was transferred to the new Department of Information Technology (DIT), under the Deputy Director for Agency Services. Staffing, budget and contracts for the project were formally transferred effective with FY 2003.

✓ **Constantly Changing Vendor Presence**

From the start of the project, the state has relied on vendor assistance to develop and implement CSES. The project was negatively impacted with procurement problems, a vendor bankruptcy and changes in vendor strategy when project leadership changed. Along the way, various vendors were added for different needs of the project. Primary design development responsibility shifted over the years from ATEK (1988) to Compuware (1996) to Oracle (1999), with other vendors providing hardware, project control, quality assurance, management studies and other project support.

In 2001, the state made a commitment to have a single vendor, Policy Studies Inc. (PSI), manage the completion, implementation and certification of MiCSES. Other contracted vendors and sub-contractors entered into memoranda of understanding with PSI in order to leverage experience and knowledge already on the project.

• **Lack of Common Business Model**

In Michigan, child support case intake and location services are performed by Department of Human Services (DHS), paternity and support establishment is handled by the Prosecuting Attorneys (PAs), support enforcement is handled by the Friends of the Court (FOCs), and support collection and distribution is processed through the Michigan State Disbursement Unit (MiSDU). Each county and/or judicial circuit developed its own way of interrelating among these entities. One of the challenges for CSES was to design a system that can support the variations that exist among counties while at the same time complying with federal certification requirements and constantly changing policy due to state and federal legislation.

• **Lack of Statewide Commitment**

The complex structure of Michigan's child support process involves interrelationships and dependencies between DHS, Friends of the Court, and Prosecuting Attorneys. To receive federal certification, all of these entities must be using the same child support application statewide. Until 2001, there was not a statewide commitment by all entities to implement CSES. Consequently, although CSES was implemented in its first county in 1991, by the end of calendar year 2000, 10 of the 83 counties were still not using CSES in their FOC offices. Prosecuting Attorneys were using a stand-alone system developed by the Prosecuting Attorneys Association of Michigan (PAAM) that had limited exchange of information with CSES and did not meet federal certification requirements.

In 2001, with the assistance of Michigan's Governor and Chief Justice, a renewed commitment and oversight by DHS, and funding support from the Legislature, a new consensus was achieved to work towards statewide implementation. As a result, all county FOC offices were using the legacy version of CSES by September 30, 2001 and all Prosecuting Attorneys were using the new MiCSES application by March 2002.

- **Changing Strategies**

Due to the changes in organizations previously noted and recommendations from management studies and federal reviews, reassessments of the project were made and new strategies developed every few years. Although the intent of each round of strategies was to expedite successful certification, the change in plans often only served to slow down the process. The final strategy, crafted by DHS and DIT in early 2001, resulted in the most success in the shortest period of time.

➤ **Federal Certification Reviews**

- **1995-96:** A Functional Review of CSES was conducted by Federal OCSE (based on FSA88 certification requirements). Since the FSA88 version of system was not yet operational, this was not treated as an official FSA certification review. However, OCSE did submit a Functional Review report, noting system functions that did not meet certification requirements.
- **1998-99:** An FSA88 certification review was performed by federal OCSE. An exception-based report that noted areas of deficiencies was sent to the state, but no formal certification recommendation was made.
- **2001-2002:** Under an alternative system configuration (ASC) waiver approved by federal OCSE in 2001, two versions of the child support applications were operational in the state: the legacy CSES system in 82 FOC offices and the new MiCSES system in the Wayne County FOC office and all Prosecuting Attorney offices. The eventual plan (post-certification) was the migration all FOC offices and other legacy functionality to the new MiCSES platform.
  - ✓ In September 2001, DHS submitted a request to the federal OCSE to perform an FSA and PRWORA certification review. Since the child support applications were statewide under the terms of the ASC waiver, OCSE held all additional penalties in abeyance effective October 1, 2001.
  - ✓ Three visits were made by OCSE in 2002 to review the two systems. Preliminary findings from OCSE indicated that the alternative configuration as it currently existed would need major modifications to be certified. This was primarily due to the outstanding deficiencies in the legacy system. OCSE indicated that the preferred strategy would be to implement the new version of MiCSES statewide. However, based on the progress made and the alternative configuration waiver, OCSE continued to hold all additional penalties in abeyance.
- **2003:** The final federal reviews, including a review of new or modified functionality and county site visits, occurred in June and August 2003. OCSE validated that the MiCSES application was implemented statewide on September 30, 2003. OCSE issued its final report on November 25, 2003, granting the state full and unconditional certification.

➤ **Federal Penalties**

Because Michigan had not met federal certification requirements for FSA and PRWORA by the required deadlines, a total of **\$68.6 million** in penalties were assessed by the federal government and paid by the state for FFY 1998-2001. An additional **\$112.6 million** in penalties for FY 2002 and 2003 were held in abeyance, pending the result of the final certification review.

The following exhibits provide penalties by fiscal year and potential penalty avoidance:

**Exhibit 1: Summary of Fiscal Penalties**

<b>Fiscal Year</b>	<b>Penalty Amount</b>	<b>Actual Or Potential</b>
1998	\$4,254,708	Actual
1999	\$8,445,569	Actual
2000	\$17,320,026	Actual
2001	\$38,650,751	Actual
<b>Total Actual</b>	<b>\$68,671,054</b>	
2002	\$55,160,529	Potential
2003	\$57,505,026	Potential
<b>Total Potential</b>	<b>\$112,665,555</b>	
<b>Total Actual &amp; Potential</b>	<b>\$181,336,609</b>	

**Exhibit 2: Penalty Avoidance**

With certification being attained prior to the end of FY2003, 90% of 2001 penalty was refunded and 100% of 2002 and 2003 penalties were avoided and negated, representing a **total savings of \$147.5 million**, as shown in Exhibit 2.

<b>Fiscal Year</b>	<b>Penalty Amount</b>
2001	\$34,785,676 (90% of \$38,650,751)
2002	\$55,160,529
2003	\$57,505,026
<b>Total Savings</b>	<b>\$147,451,231</b>

### **3. Current Status**

With competitively bid vendor contracts in place, as of early 2004, the MiCSES project began the transition from a rapid development and implementation project to a systems operations support and maintenance organization. However, although MiCSES application attained federal certification in November 2003, system development is certainly not complete. All user requests and requirements were placed on hold during the 2001 – 2003 timeframe while application development efforts were necessarily focused on attaining federal certification. The backlog of user requests is not system enhancements or “nice to haves.” They are basic operational requirements related to ease of use and functionality to support existing business processes.

Since 2004, there have been 5 major software releases with new or improved functionality and multiple smaller releases to address software bugs or urgent issues.

Based upon the increased funding authorized by the Legislature for FY2006, a two year plan has been developed and initiated to address fixes and improvements represented by the backlog of user requests. These fixes and improvements have been prioritized by the child support program leadership, and will be implemented by the MiCSES organization.



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### Exhibit 3: CSES & MiCSES Project History

Project Management and Vendor History				Progress Towards Certification
Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
1984-86	SCAO		<ul style="list-style-type: none"> <li>Decision made to hire both state staff and contractors to develop and implement the initial application.</li> <li>Since most child support employees were located in the judiciary, SCAO was given the lead in finalizing the product, facilitating implementation, and maintaining the system.</li> </ul>	Planning activities initiated.
1986-87	SCAO		<ul style="list-style-type: none"> <li>RFP issued by Michigan Office of Child Support (OCS) that included: <ul style="list-style-type: none"> <li>✓ Combined effort for OCS and SCAO staffs</li> <li>✓ Provided for development of software and all hardware and maintenance.</li> <li>✓ Required vendor to provide training for state staff, documentation of software, and implement at least five sites (local FOC and OCS offices).</li> <li>✓ Pursuant to federal requirements (at that time), vendor had to bid a transfer system that could be modified to fit Michigan needs.</li> </ul> </li> </ul>	Planning activities continued.
1987-88	SCAO	ATEK (prime) DEC (sub)	<ul style="list-style-type: none"> <li>ATEK, Inc. of Canton, Ohio selected as vendor (out of 12 bidders), with Digital Equipment Corporation (DEC) bid as subcontractor to provide hardware and</li> </ul>	Application development started.





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Project Management and Vendor History				Progress Towards Certification
Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			hardware maintenance <ul style="list-style-type: none"> <li>Contract award to ATEK delayed until 1988 due to an unsuccessful challenge to the bidding process</li> <li>Digital Equipment Corporation (DEC) subcontracted for hardware and hardware maintenance.</li> </ul>	
<b>1989-90</b>	SCAO	ATEK (prime) DEC (sub)	<ul style="list-style-type: none"> <li>No change</li> </ul>	<ul style="list-style-type: none"> <li>Application development continued.</li> </ul>
<b>1991</b>	SCAO	ATEK (prime) DEC (sub)	<ul style="list-style-type: none"> <li>No change</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 3 counties</li> </ul>
<b>1992</b>	SCAO	DEC (hardware sub)  Other technical subs: <ul style="list-style-type: none"> <li>✓ Courtland Software</li> <li>✓ Network Concepts</li> <li>✓ Professional Solutions</li> <li>✓ Lansing Computer</li> </ul>	<ul style="list-style-type: none"> <li>ATEK, Inc. files for Chapter 11 protection in federal district court, before completing systems development or successfully installing any sites. ATEK relied heavily on subcontracted consultants for system engineering with no provision for their continued participation. State project staff, through DMB, reached an agreement to terminate the ATEK contract and assign the remainder of the hardware and maintenance contract to DEC.</li> <li>SCAO contracted by interagency agreement to continue application development and implementation. SCAO contracts with multiple vendors</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 14 counties (17 total)</li> </ul>



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Project Management and Vendor History				Progress Towards Certification
Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
		Institute ✓ Compuware ✓ CommTek	to provide time and material technical resources.	
1993	SCAO	Same as previous	<ul style="list-style-type: none"> <li>No change</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 20 counties (37 total)</li> </ul>
1994	SCAO	Same as previous	<ul style="list-style-type: none"> <li>No change</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 13 counties (50 total)</li> </ul>
1995	SCAO	Same as previous, plus:  MAXIMUS	<ul style="list-style-type: none"> <li>Digital Equipment Corporation (DEC) subcontracted to continue hardware and hardware maintenance.</li> <li>Contract awarded to Maximus, Inc. to conduct Privatization, Elimination, Retention and Modification study (PERM) of the existing MiSES project.</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 8 counties (58 total)</li> <li>Functional Review of CSES conducted by Federal OCSE (based on FSA88 certification requirements). Since FSA88 version of system was not yet operational, this was not treated as an official FSA certification review.</li> </ul>
1996	DHS	Compuware (prime)  DEC  MAXIMUS	<ul style="list-style-type: none"> <li>DHS assumed full management of CSES project from SCAO (interagency agreement with SCAO dissolved).</li> <li>Multiple vendor contracts were combined under Compuware Corporation as the prime vendor (with multiple sub-contractors) for the provision of time and material technical staff resources.</li> <li>Digital Equipment Corporation (DEC) subcontracted to continue hardware and</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 4 counties (62 total)</li> <li>Federal OCSE submitted report on functional review, providing findings where system did not meet certification requirements.</li> <li>Two reports (one from MAXIMUS and other from Michigan Auditor General) submitted indicating significant problems with administration, system direction, implementation and communication strategies of CSES project and</li> </ul>



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Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			hardware maintenance.	fragmentation of Michigan's child support program.
1997	DHS	Compuware (prime)  DEC  EMS (QA)	<ul style="list-style-type: none"> <li>Eligibility Management Services (EMS) awarded the Quality Assurance Monitor bid and provides overall project quality assurance and testing for the CSES project.</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 2 counties (64 total)</li> <li>"CSES Master Project Plan" developed by DHS, providing a tactical action plan and near-term strategic plan to achieve FSA88 certification for CSES</li> </ul>
1998	DHS	Same as previous	<ul style="list-style-type: none"> <li>No change</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 2 counties (66 total)</li> <li>FSA88 certification review performed by federal OCSE.</li> </ul>
1999	DHS	Same as previous plus:  Oracle (HVA design)  MAXIMUS (SDU QA)	<ul style="list-style-type: none"> <li>Compaq (previously known as Digital Equipment Corporation, DEC) contracted to continue hardware and hardware maintenance.</li> <li>Renaissance Government Solutions (previously known as Eligibility Management Services) contracted to continue the role of Quality Assurance Monitor and provide overall project quality assurance and testing for the CSES project.</li> <li>Under a state master contract, Oracle Corporation was awarded a contract to conduct requirements, data modeling, and preliminary design services to build a High Volume Child Support Enforcement System (CSES-HVA)</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 6 counties (72 total)</li> <li>Federal OCSE sent exception-based report on 1998 review findings. No official certification recommendation.</li> <li>Federal letter sent to state which assessed first year of fiscal penalties (i.e. FY 98) for not achieving FSA certification. Note: Penalties continued to be assessed in subsequent fiscal years (FY 98, 99, 00 &amp; 01).</li> <li>HVA requirements definition phase started.</li> </ul>



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Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			<p>that will be installed in the largest Michigan counties.</p> <ul style="list-style-type: none"> <li>• Compuware continues as the primary contractor providing time and materials (T&amp;M) technical resources to the CSES project.</li> <li>• MAXIMUS contracted by OCS to provide quality assurance services to the Michigan Centralized Collections project (now known as the Michigan State Disbursement Unit, MiSDU) and strategic planning and system integration services between MiSDU and CSES.</li> </ul>	
<b>2000</b>	DHS	Same as previous, plus:  BULL (Data Warehouse)	<ul style="list-style-type: none"> <li>• Compaq contracted to continue hardware and hardware maintenance.</li> <li>• Renaissance Government Solutions contracted to continue the role of Quality Assurance Monitor and provide overall project quality assurance and testing for the CSES project.</li> <li>• The HVA Assessment conducted by Oracle is completed. Oracle Corporation contracted to continue providing CSES development and program technical services.</li> <li>• Compuware continues as the primary contractor providing T&amp;M technical</li> </ul>	<ul style="list-style-type: none"> <li>• CSES installed in 1 county (73 total)</li> <li>• Phase 1 of MiSDU implemented, including processing of income withholding payments and interface with CSES.</li> <li>• Oracle submitted deliverables for HVA requirements, conceptual design and preliminary data models.</li> <li>• State released RFP for detailed design phase of HVA.</li> </ul>



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Project Management and Vendor History				Progress Towards Certification
Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			<p>resources to the CSES project.</p> <ul style="list-style-type: none"> <li>• BULL contracted to provide CSES Data Warehouse technical services.</li> <li>• MAXIMUS contracted to continue as MiSDU quality assurance contractor.</li> </ul>	
2001	DHS	<p>Same as previous, plus:</p> <p>PSI (new prime)</p> <p>EDS (project planning)</p>	<ul style="list-style-type: none"> <li>• Compaq contracted to continue CSES hardware and hardware maintenance for the Data Center.</li> <li>• GovConnect (previously known as Renaissance Government Solutions) contracted to continue the role of Quality Assurance Monitor and provide overall project quality assurance and testing for the CSES project.</li> <li>• Oracle Corporation contracted to continue providing development and program technical services.</li> <li>• Compuware continues as a contractor providing T&amp;M technical resources and conversion services to the CSES project.</li> <li>• BULL contracted to continue providing CSES Data warehouse technical services.</li> <li>• MAXIMUS contracted to continue as MiSDU quality assurance contractor.</li> <li>• EDS contracted to provide technical</li> </ul>	<ul style="list-style-type: none"> <li>• Based on vendor bids to HVA RFP, state determined that HVA will require three more years to complete. Procurement effort was cancelled.</li> <li>• State requested PSI to perform system certification assessment. Result is decision to enhance new system being developed in Wayne County as a second generation MiCSES that would be implemented in Wayne County only initially.</li> <li>• Michigan submitted a waiver to the federal OCSE to implement MiCSES under an alternative system configuration (allows waiver of single statewide system requirement). OCSE approved this waiver, thereby assuring continued federal funding for MiCSES. Under the waiver, both the existing, legacy version of CSES and a second generation MiCSES version can exist simultaneously in the state, but both must meet certification requirements.</li> </ul>



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Project Management and Vendor History				Progress Towards Certification
Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			<p>services and project planning expertise.</p> <ul style="list-style-type: none"> <li>Policy Studies, Inc. (PSI) is retained to provide expert technical assistance for the CSES systems implementation and data conversion strategy to reach federal certification. PSI also contracted to provide oversight of multiple state contracted and subcontracted vendors.</li> </ul>	<ul style="list-style-type: none"> <li>CSES installed in 9 counties.</li> <li>A new version of the Friend of the Court (FOC) Module was implemented in Wayne County. This MiCSES 2.1 version was the prototype for a future statewide FOC module.</li> <li>MiSDU started sending child support payments to new FOC Module in Wayne County.</li> <li>A new Legal Module (replacing the PAAM system module) was implemented in Bay County. This MiCSES 2.1 version was the prototype for a future statewide Legal module.</li> </ul>
2002	DHS  DIT (eff 10/02)	No change	<ul style="list-style-type: none"> <li>Compaq contracted to continue CSES and MiCSES hardware and hardware maintenance for the Data Center.</li> <li>GovConnect contracted to continue the role of Quality Assurance Monitor and provide overall project quality assurance and testing for the MiCSES project.</li> <li>Oracle Corporation contracted to continue providing development and program technical services.</li> <li>Compuware continues as a contractor</li> </ul>	<ul style="list-style-type: none"> <li>New Legal Module (version 2.2) was implemented in all Prosecuting Attorney offices statewide.</li> <li>MiCSES version 2.2 of FOC module, with an integrated Legal Module, was implemented in Wayne County</li> <li>Federal OCSE conducted review of CSES and MiCSES, finding major deficiencies with the alternative configuration that must be corrected before they will grant certification.</li> <li>Project transferred to the new</li> </ul>



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Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
			<p>providing T&amp;M technical resources and conversion services to the MiCSES project.</p> <ul style="list-style-type: none"> <li>• BULL contracted to continue providing MiCSES Data warehouse technical services.</li> <li>• EDS contracted to continue providing technical services and project planning expertise.</li> <li>• PSI contracted to provide project management services and assistance in transition planning and child support program management. Contract includes oversight of multiple state contracted and subcontracted vendors for application development, conversion and implementation.</li> </ul>	<p>Department of Information Technology.</p> <ul style="list-style-type: none"> <li>• Project revised strategy to include expediting implementation to counties of new FOC module and developing and implementing a new Support Specialist module.</li> </ul>
<b>2003</b>	DIT	No change	<ul style="list-style-type: none"> <li>• All existing contracts extended through end of fiscal year 2002/2003 (except PSI which was extended through December 31, 2003).</li> <li>• RFP's issued for competitive procurement of post-certification application maintenance, project control and infrastructure support</li> </ul>	<ul style="list-style-type: none"> <li>• MiCSES 2.4 implementation started February 18, 2003:</li> <li>✓ New Support Specialist Module implemented statewide</li> <li>✓ Enhancements to Legal Module implemented statewide</li> <li>✓ 2.4 version of the FOC module implemented in Wayne County</li> <li>• Remaining counties (82) convert to MiCSES 2.4 FOC module in an incremental fashion by region between March 31, 2003 and</li> </ul>



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Timeframe	State Agency Managing Project	Vendor(s)	Highlights	
				September 30, 2003. <ul style="list-style-type: none"> <li>• Certification and Site Reviews conducted by OCSE in June and August 2003</li> <li>• OCSE grants full certification in November 2003 and refunds 90% of 2001 penalty.</li> </ul>
<b>2004</b>	DIT	Accenture  EDS	<ul style="list-style-type: none"> <li>• Competitive bid contract awarded to Accenture for Application Maintenance and Development: January 1, 2004 thru March 31, 2007.</li> <li>• Competitive bid contract awarded to EDS for Project Control Office and Infrastructure support: September 1, 2004 thru September 30, 2007.</li> </ul>	<ul style="list-style-type: none"> <li>• Certification complete; focus shifts to addressing backlog of user requests to improve system usability and functionality for state and local business requirements</li> </ul>
<b>2005</b>	DIT	No Change	<ul style="list-style-type: none"> <li>• No Change</li> </ul>	<ul style="list-style-type: none"> <li>• OCS and MiCSES, in conjunction with vendor team, develop and begin implementation of a 2 year plan for system improvements.</li> </ul>





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### Exhibit 4: CSES & MiCSES Expenditures

<b>MiCSES Statewide System - Historical Expenditures</b>							
	<b>TOTAL Expenditures Through 9/30/95</b>	<b>Expenditures FY 96</b>	<b>Expenditures FY 97</b>	<b>Expenditures FY 98</b>	<b>Expenditures FY 99</b>	<b>Expenditures FY 00</b>	
Operations	\$ 32,288,264.91	\$ 8,057,334	\$ 7,545,044	\$ 8,282,305	\$ 14,389,884	\$ 16,778,285	
Devel/Implementation	\$ 65,554,962.09	\$ 15,640,708	\$ 14,646,261	\$ 16,077,415	\$ 27,933,304	\$ 51,616,387	
<b>TOTAL</b>	<b>\$ 97,843,227</b>	<b>\$ 23,698,042</b>	<b>\$ 22,191,305</b>	<b>\$ 24,359,720</b>	<b>\$ 42,323,188</b>	<b>\$ 68,394,672</b>	
	<b>Expenditures FY 01</b>	<b>Expenditures FY 02</b>	<b>Expenditures FY 03</b>	<b>Expenditures FY 04</b>	<b>Expenditures FY 05</b>	<b>TOTAL</b>	
Operations	\$ 37,142,298	\$ 16,534,280	\$ 23,189,316	\$ 72,487,042	\$ 52,020,734		
Devel/Implementation	\$ 62,342,143	\$ 120,689,813	\$ 105,796,560	\$ -	\$ -		
<b>TOTAL</b>	<b>\$ 99,484,441</b>	<b>\$ 137,224,093</b>	<b>\$ 128,985,876</b>	<b>\$ 72,487,042</b>	<b>\$ 52,020,734</b>	<b>\$ 769,012,339</b>	